

LADD SUPERANNUATION FUND

FINANCIAL STATEMENTS

AND REPORTS

FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

Investor Accounting
Po Box 7219
Sippy Downs QLD 4556

LADD SUPERANNUATION FUND
DETAILED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	2017	2016
	\$	\$
Investments		
Fixed Interest Securities (Australian)		
BOQ Term Deposit A/C 22587474	100,000	-
	100,000	-
Shares in Listed Companies (Australian)		
Blackmores Limited	11,501	-
	11,501	-
Shares in Unlisted Companies (Australian)		
Errawarra Resources Limited	200	200
	200	200
	111,701	200
Other Assets		
CBA Direct Investment A/C 12065541	-	19
Bank West CMC Markets Cash A/C 214486-0	108,479	231,455
BOQ A/C 22424396	5,018	5,010
BOQ A/C 22424400	414	3,811
CBA A/C 18866579	19	-
Income Tax Refundable (Note 6)	396	2,004
	114,326	242,299
	114,326	242,299
Total Assets	226,027	242,499
Represented by:		
Liability for Accrued Benefits (Notes 2, 3, 4)		
Power, Leslie John (Pension 1)	226,027	242,499
	226,027	242,499
	226,027	242,499

The accompanying notes form part of these financial statements

Refer to compilation report

**LADD SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Income		
Capital Gains/(Losses) - Taxable		
Adelaide Brighton Limited	-	(236)
Agl Energy Limited.	-	133
Amcor Limited	-	662
Aristocrat Leisure Limited	-	1,066
Australia & New Zealand Banking Group Limited	-	(3,770)
Bank of Queensland Limited	-	(1,183)
Bhp Billiton Limited	-	3,435
Bluescope Steel Limited	-	386
Brambles Limited	-	5,196
Capilano Honey Limited	-	(1,122)
Capitol Health Limited	-	(9,696)
Carsales.Com Limited.	-	574
Cochlear Limited	-	248
Collection House Limited	-	175
Commonwealth Bank of Australia.	-	(2,013)
Computershare Limited	-	1,038
Corporate Travel Management	-	506
Crown Resorts Limited	-	(657)
Csl Limited	-	528
Erm Power Limited	-	(3,990)
Flexigroup Limited	-	(1,860)
G8 Education Limited	-	1,991
Invocare Limited	-	545
Iress Limited	-	2,183
Macquarie Group Limited	-	591
National Australia Bank Limited	-	(2,888)
Primary Health Care Limited	-	(1,373)
Ramsay Health Care Limited	-	342
Rea Group Ltd	-	691
Resmed Inc	-	451
Retail Food Group Limited	-	1,640
Seek Limited	-	1,377
Slater & Gordon Limited	-	(12,336)
Telstra Corporation Limited.	-	134

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**LADD SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Thorn Group Limited	-	(6,553)
Transurban Group	-	393
Virtus Health Limited	-	736
Wesfarmers Limited	-	333
Westfield Corporation	-	149
Woolworths Limited	-	(230)
	-	(22,403)
Dividends Received		
Amcor Limited	-	151
Aristocrat Leisure Limited	-	135
Australia & New Zealand Banking Group Limited	736	430
Bhp Billiton Limited	-	330
Blackmores Limited	583	-
Brambles Limited	-	713
Capitol Health Limited	-	226
Commonwealth Bank of Australia.	-	742
Computershare Limited	-	693
Crown Resorts Limited	-	292
Erm Power Limited	-	519
Flexigroup Limited	-	676
G8 Education Limited	-	132
Invokecare Limited	-	236
Iress Limited	-	286
National Australia Bank Limited	-	365
Primary Health Care Limited	-	1,099
Retail Food Group Limited	-	210
Seek Limited	-	187
Slater & Gordon Limited	-	169
Thorn Group Limited	-	613
Transurban Group	-	(50)
Virtus Health Limited	-	280
Woolworths Limited	-	183
	1,319	8,618
Interest Received		
BOQ A/C 22424400	83	95

The accompanying notes form part of these financial statements

Refer to compilation report

**LADD SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
BOQ Savings A/C 21668318	-	240
Bank West CMC Markets A/C 930771-0	-	298
Bank West CMC Markets Cash A/C 214486-0	3,781	479
CBA Direct Investment A/C 12065541	-	-
	3,864	1,111
Other Income		
CBA Rights Entitlement	-	12
	-	12
Revaluations		
Shares in Listed Companies (Australian)		
Aristocrat Leisure Limited	-	143
Australia & New Zealand Banking Group Limited	-	859
Bank of Queensland Limited	-	476
Blackmores Limited	(7,273)	-
Collection House Limited	-	142
Computershare Limited	-	(295)
Crown Resorts Limited	-	1,590
Csl Limited	-	135
Erm Power Limited	-	313
National Australia Bank Limited	-	1,202
Ramsay Health Care Limited	-	245
Rea Group Ltd	-	27
Resmed Inc	-	37
Slater & Gordon Limited	-	5,737
Telstra Corporation Limited.	-	(116)
Transurban Group	-	370
Westfield Corporation	-	407
Woolworths Limited	-	195
	(7,273)	11,466
	(7,273)	11,466
	(2,090)	(1,196)
Expenses		
ATO Supervisory Levy	259	259
Bank Charges	-	5

The accompanying notes form part of these financial statements

Refer to compilation report

**LADD SUPERANNUATION FUND
 DETAILED OPERATING STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Investment Expenses		
Investment Expenses	1,924	329
	1,924	329
Pensions Paid - Unrestricted Non Preserved - Tax Free		
Power, Leslie John	5,540	5,903
	5,540	5,903
Pensions Paid - Unrestricted Non Preserved - Taxable		
Power, Leslie John	6,660	7,097
	6,660	7,097
	14,383	13,593
Benefits Accrued as a Result of Operations before Income Tax	(16,472)	(14,789)
Income Tax (Note 6)		
Income Tax Expense	-	-
Benefits Accrued as a Result of Operations	(16,472)	(14,789)

The accompanying notes form part of these financial statements

Refer to compilation report

LADD SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. Summary of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the fund and the needs of members.

The financial statements have been prepared on a cash basis unless stated otherwise and are based on historical costs, except for investments which have been measured at market values.

The following significant accounting policies, which are consistent with the policies applied in the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

The financial statements were authorised for issue by the trustees/directors of the trustee company

a. Measurement of Investments

The fund initially recognises:

- i. an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered to be the date on which control of the future economic benefits attributable to the asset passes to the Fund; and
- ii. a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the fund have been measured at market values, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an asset from a willing seller if the following assumptions are made:

- that the buyer and the seller deal with each other at arm's length in relation to the sale;
- that the sale occurred after proper marketing of the asset; and
- that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

Market value has been determined as follows:

- i. shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- ii. units in managed funds by reference to the unit redemption price at the end of the reporting period;
- iii. fixed-interest securities by reference to the redemption price at the end of the reporting period;
- iv. unlisted investments are stated at trustees' assessment based on estimated market value at balance date or where necessary, an external valuer's opinion; and
- v. investment properties at the trustees' assessment of market value or where necessary a qualified independent valuer's opinion at the end of reporting period.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross value of the fund's financial liabilities is equivalent to their market values. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the operating statement in the periods in which they occur.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at call, deposits with banks and short-term, highly liquid investments that are readily convertible to cash and subject to an insignificant risk of change in value.

Refer to compilation report

LADD SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

c. Revenue

Revenue is recognised at the fair value of the consideration received or receivable.

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

Distribution revenue

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distribution and if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at market value.

Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and determined as the difference between the market value at year-end or consideration received (if sold during the year) and the market value as at the prior year-end or cost (if acquired during the period).

d. Liability for Accrued Benefits

The liability for accrued benefits represents the fund's present obligation to pay benefits to members and beneficiaries, and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the other payables and income tax liabilities as at the end of the reporting period.

e. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or other payables in the statement of financial position.

f. Critical Accounting Estimates and Judgements

The preparation of financial statements requires the trustees to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

2. Liability for Accrued Benefits

Changes in the Liability for Accrued Benefits are as follows:

2017

2016

Refer to compilation report

LADD SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	\$	\$
Liability for Accrued Benefits at beginning of period	242,499	257,288
Add:		
Benefits Accrued as a Result of Operations	(16,472)	(14,789)
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	226,026	242,499
Liability for Accrued Benefits at end of period	226,026	242,499

3. Vested Benefits

Vested benefits are benefits which are not conditional upon continued membership of the fund (or any other factor other than resignation from the fund) and include benefits which members were entitled to receive had they terminated their fund membership as at the reporting date.

	2017	2016
	\$	\$
Vested Benefits	226,026	242,499

4. Guaranteed Benefits

No guarantees have been given in respect of any part of the liability for accrued benefits.

5. Changes in Market Values

Investments and other assets of the fund are valued at the end of the reporting period as described in Note 1 - Summary of Significant Accounting Policies. A detailed schedule of investments is attached to these financial statements. A summary of the change in Market Values is as follows:

	2017	2016
	\$	\$
Shares in Listed Companies (Australian)	(7,273)	11,466
	(7,273)	11,466

6. Income Tax

Income Tax is payable by the superannuation fund at the rate of 15% on the contributions received and the income of the fund. There has been no change in the Income Tax rate during the year.

The Income Tax payable by the superannuation fund has been calculated as follows:

	2017	2016
	\$	\$
Benefits accrued as a result of operations before income tax	(16,472)	(14,789)

Refer to compilation report

LADD SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Prima facie income tax on accrued benefits	(2,471)	(2,218)
Add/(Less) Tax Effect of:		
Dividends Received	-	11
Increase in Market Value of Investments	-	(1,720)
Bank Charges	-	1
Decrease in Market Value of Investments	1,091	-
Investment Expenses	289	49
Pensions Paid - Unrestricted Non Preserved - Tax Free	831	886
Pensions Paid - Unrestricted Non Preserved - Taxable	999	1,065
Exempt Pension Income	(777)	(1,472)
Accounting (Profits)/Losses on Sale of Investments	-	3,360
Other	39	39
	<u>2,471</u>	<u>2,218</u>
Income Tax Expense	<u>-</u>	<u>-</u>

Income tax expense comprises:

Income Tax Payable/(Refundable)	(396)	(2,004)
Imputed Credits	396	2,004
	<u>-</u>	<u>-</u>

Refer to compilation report

LADD SUPERANNUATION FUND
TRUSTEE: LADD POWER PTY LTD
ACN: 600 497 505
TRUSTEES DECLARATION

The directors of the trustee company have determined that the fund is not a reporting entity and that the special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the trustee company declare that:

- i. the financial statements and notes to the financial statements for the year ended 30 June 2017 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2017 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements;
- ii. the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the trust deed; and
- iii. the operation of the superannuation fund has been carried out in accordance with its trust deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations during the year ended 30 June 2017.

Signed in accordance with a resolution of the directors of the trustee company by:

Leslie John Power
Ladd Power Pty Ltd
Director

DATED: / /

LADD SUPERANNUATION FUND
COMPILATION REPORT TO THE MEMBER(S) OF LADD SUPERANNUATION FUND

We have compiled the accompanying special purpose financial statements of Ladd Superannuation Fund, which comprise the statement of financial position as at 30 June 2017, the operating statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Trustee(s)

The Trustee (s) of the Ladd Superannuation Fund is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the financial reporting framework used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the Trustee(s), we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework as described in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors of the trustee company who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

Justin Wrotecki
Investor Accounting
PO Box 7219
Sippy Downs QLD 4556

Dated: / /

**LADD SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

Approved SMSF auditor details

Name	Matthew Foster
Business name	
Business postal address	2 Nobel Close
	Greensborough VIC 3088
SMSF auditor number (SAN)	100038668

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name	Ladd Superannuation Fund
Australian business number (ABN) or tax file number (TFN)	19663253523
Address	Po Box 7219
	Sippy Downs QLD 4556
Year of income being audited	2017

To the SMSF trustee

To the SMSF trustee of	Ladd Superannuation Fund
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**LADD SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

PART A - FINANCIAL REPORT

Approved SMSF auditor's Opinion

I have audited the special purpose financial report comprising the Statement of Financial Position as at 30 June 2017, and the Operating Statement for the year then ended, a summary of significant accounting policies and other explanatory notes of the Ladd Superannuation Fund for the year ended 30 June 2017.

In my opinion, the financial report presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial statements, the financial position of the fund at 30 June 2017 and the results of its operations for the year then ended.

Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards¹. My responsibilities under those standards are further described in the Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report section of this report. I am independent of the self-managed superannuation fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) as required by the Superannuation Industry (Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of accounting

Without modifying my opinion, I draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist Ladd Superannuation Fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes.

Responsibility of SMSF trustees for the financial report

Each SMSF trustee (individual trustee or director of corporate trustee) is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the SMSF's governing rules, the SISA and the SISR. Each trustee is also responsible for such internal controls as they determine are necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees intend to wind-up the fund. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the fund will be able to meet its liabilities as they fall due.

The trustees are responsible for overseeing the fund's financial reporting process.

Approved SMSF auditor's responsibility for the audit of the financial report

My responsibility is to express an opinion on the financial report based on my audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustees.

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of trustees taken on the basis of this financial report.

¹The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.

LADD SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT

I have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

PART B - COMPLIANCE REPORT

Approved SMSF Auditor's Opinion

I have performed a reasonable assurance engagement on the (name of superannuation fund) to provide an opinion in relation to its compliance, in all material respects, with the applicable provisions of the SISA and the SISR as listed below in the Approved SMSF auditor's Responsibility section of this report.

In my opinion, each trustee of (name of superannuation fund) has complied, in all material respects, with the applicable provisions of the SISA and the SISR specified below, for the year ended 30 June 2017.

Basis for Opinion

I have conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3100 Compliance Engagements issued by the Auditing and Assurance Standards Board.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence and quality control

I have complied with the independence requirements in accordance with the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) as required by the SISR.

**LADD SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

I apply Australian Standard on Quality Control 1 ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

I have complied with the competency standards set by ASIC.

SMSF trustee's responsibility for compliance

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR and for identifying, designing and implementing internal controls as they determine necessary to meet compliance requirements and monitor ongoing compliance.

Approved SMSF auditor's responsibility for the compliance report

My responsibility is to express an opinion on the trustees' compliance with the applicable requirements of the SISA and the SISR, based on the compliance engagement. My procedures included testing that the fund has an investment strategy that complies with the SISA and that the trustees make investments in line with that strategy, however, no opinion is made on its appropriateness to the fund members.

My reasonable assurance engagement has been conducted in accordance with applicable Standards on Assurance Engagements issued by the Auditing and Assurance Standards Board, to provide reasonable assurance that the trustees of the fund have complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67,67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K
Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

An assurance engagement to report on the fund's compliance with the applicable requirements of the SISA and the SISR involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on my judgement, including the identification and assessment of risks of material non-compliance.

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR for the year ended 30 June 2017.

These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified.

Inherent limitations

Due to the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the listed provisions may occur and not be detected. A reasonable assurance engagement does not provide assurance on whether compliance with the listed provisions will continue in the future.

Signature of approved SMSF auditor :

Matthew Foster

Date : / /

**LADD SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

Appendix 1- Explanation of listed sections and regulations in compliance report

This appendix is included to assist with the meaning of the legislation and regulations listed above

Section or Regulation	Explanation
S17A	The fund must meet the definition of an SMSF
S35AE	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare, sign and retain accounts and statements
S35C(2)	The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S62	The fund must be maintained for the sole purpose of providing benefits to any or all of the following: <ul style="list-style-type: none"> • fund members upon their retirement • fund members upon reaching a prescribed age • the dependants of a fund member in the case of the member's death before retirement
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exception) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exception)
S67A & 67B	The fund must comply with the limited recourse borrowing arrangement rules when borrowing to purchase single acquirable asset or replacement assets (not listed as an exception to the borrowing rules)
S82-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years

**LADD SUPERANNUATION FUND
 SELF-MANAGED SUPERANNUATION FUND
 INDEPENDENT AUDITOR'S REPORT**

Appendix 1 (Continued)

S104	The trustees must keep up to date records of all trustee or director of corporate trustee changes and trustee consents for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration
S105	The trustees must ensure that copies of all member or beneficiary reports are kept for a minimum of 10 years
S109	All investment transactions must be made and maintained at arms- length – that is, purchase, sale price and income from an asset reflects a true market value/rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Sub Reg 1.06 (9A)	Pension payments must be made at least annually, and must be at least the amount calculated under Schedule 7
Reg 4.09	Trustees must formulate, regularly review and give effect to an investment strategy for the fund
Reg 4.09A	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer sponsor
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member minimum benefits must be maintained in the fund until transferred, rolled over, allotted (to the member's spouse) or cashed out in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part 7A of the regulations and be permitted by the trust deed
Reg 7.04	Contributions can only be accepted in accordance with the applicable rules for the year being audited
Reg 8.02B	When preparing accounts and statements required by subsection 35B(1) of the SISA, an asset must be valued at its market value
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund
Reg 13.18AA	Investments in collectables and personal use assets must be maintained in accordance with prescribed rules

**LADD SUPERANNUATION FUND
STATEMENT OF TAXABLE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	2017
	\$
Benefits Accrued as a Result of Operations before Income Tax	(16,472.00)
Less:	
Exempt Pension Income	(5,183.00)
Other Non Taxable Items	258.00
	<hr/>
	(4,925.00)
	<hr/>
	(21,397.00)
Add:	
Decrease in Market Value of Investments	7,273.00
Pensions Paid - Unrestricted Non Preserved - Tax Free	5,540.00
Pensions Paid - Unrestricted Non Preserved - Taxable	6,660.00
Pension Member Non Deductible Expenses	1,924.00
	<hr/>
	21,397.00
	<hr/>
Taxable Income	0.00
	<hr/>
Tax Payable on Taxable Income	0.00
Less:	
Imputed Credits	395.66
	<hr/>
	395.66
	<hr/>
Income Tax Payable/(Refund)	(395.66)
Add:	
Supervisory levy	259.00
Total Amount Due or Refundable	(136.66)
	<hr/>

**MEMORANDUM OF RESOLUTIONS OF THE DIRECTOR(S) OF
LADD POWER PTY LTD
ACN: 600 497 505
ATF LADD SUPERANNUATION FUND**

FINANCIAL STATEMENTS OF SUPERANNUATION FUND:

It was resolved that the financial statements would be prepared as special purpose financial statements as, in the opinion of the trustee(s), the superannuation fund is a non-reporting entity and therefore is not required to comply with all Australian Accounting Standards.

The Chair tabled the financial statements and notes to the financial statements of the superannuation fund in respect of the year ended 30 June 2017 and it was resolved that such statements be and are hereby adopted as tabled.

INVESTMENT STRATEGY:

The allocation of the fund's assets and the fund's investment performance over the financial year were reviewed and found to be within acceptable ranges outlined in the investment strategy. After considering the risk, rate of return and liquidity of the investments and the ability of the fund to discharge its existing liabilities, it was resolved that the investment strategy continues to reflect the purposes and circumstances of the fund and its members. Accordingly, no changes in the investment strategy were required.

ALLOCATION OF INCOME:

It was resolved that the income of the fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).

INVESTMENT ACQUISITIONS:

It was resolved to ratify the investment acquisitions throughout the financial year ended 30 June 2017.

INVESTMENT DISPOSALS:

It was resolved to ratify the investment disposals throughout the financial year ended 30 June 2017.

AUDITORS

It was resolved that

Matthew Foster

of

2 Nobel Close
Greensborough VIC 3088

act as auditors of the Fund for the next financial year.

TRUSTEE STATUS:

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by s 120 of the SISA.

CONTRIBUTIONS RECEIVED:

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal Fund employer.

CLOSURE:

Signed as a true record –

..... /...../.....
Leslie John Power

LADD SUPERANNUATION FUND
SCHEDULE OF PURCHASES AND SALES OF FUND ASSETS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2017

Details	No of Units
<hr/>	
Purchases of Fund Assets	
<u>Fixed Interest Securities (Australian)</u>	
BOQ Term Deposit A/C 22587474	1
<u>Shares in Listed Companies (Australian)</u>	
Blackmores Limited	120

Member's Statement
LADD SUPERANNUATION FUND

MR LESLIE JOHN POWER
8 NORTH STREET
GOLDEN BEACH QLD 4551

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2017 and for the reporting period 1 July 2016 to 30 June 2017.

Your Details		Your Balance	
Date of Birth	15 May 1944	Total Benefits	\$226,026
Tax File Number	Provided	Comprising:	
Date Joined Fund	16 May 2007	- Preserved	
Service Period Start Date	16 May 2007	- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	\$226,026
Member Mode	Pension	Including:	
Account Description	Pension 1	- Tax Free Component	\$102,243
Current Salary		- Taxable Component	\$123,784
Vested Amount	\$226,026		
Insured Death Benefit			
Total Death Benefit	\$226,026	Tax Free Proportion	45.41%
Disability Benefit		Taxable Proportion	54.59%
Nominated Beneficiaries			

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2016			242,499	242,499
<u>Add: Increases to Member's Account During the Period</u>				
Concessional Contributions				
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period			(4,272)	(4,272)
Transfers in and transfers from reserves				
			(4,272)	(4,272)
			238,226	238,226
<u>Less: Decreases to Member's Account During the Period</u>				
Benefits/Pensions Paid			12,200	12,200
Contributions Tax				
Income Tax				
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
			12,200	12,200
Member's Account Balance at 30/06/2017			226,026	226,026

Reference: POWLAF / 501

Availability of Other Fund Information

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

Trustee's Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund

Leslie John Power
Director

Statement Date: / /

Member's Statement
LADD SUPERANNUATION FUND

MR LESLIE JOHN POWER
8 NORTH STREET
GOLDEN BEACH QLD 4551

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2017 and for the reporting period 1 July 2016 to 30 June 2017.

Your Details		Your Balance	
Date of Birth	15 May 1944	Total Benefits	
Tax File Number	Provided	Comprising:	
Date Joined Fund	16 May 2007	- Preserved	
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Pension	Including:	
Account Description	Pension 2	- Tax Free Component	\$10
Current Salary		- Taxable Component*	\$(10)
Vested Amount			
Insured Death Benefit			
Total Death Benefit		Tax Free Proportion	89.57%
Disability Benefit		Taxable Proportion	10.43%
Nominated Beneficiaries			

*Your withdrawal benefit would include a Tax Free Component of \$0 and a Taxable Component of \$0

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2016				
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions				
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period				
Transfers in and transfers from reserves				
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax				
Income Tax				
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
Member's Account Balance at 30/06/2017				

Reference: POWLAF / 503

Availability of Other Fund Information

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

Trustee's Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund

Leslie John Power
Director

Statement Date: / /

LADD SUPERANNUATION FUND
INVESTMENT SUMMARY REPORT AT 30 JUNE 2017

Investment	Units	Ave Cost	Mkt Price	Cost	Market	Unrealised Gain/(Loss)	Percent Gain/(Loss)	Percent Total
Cash/Bank Accounts								
BOQ A/C 22424396		5,018.00	5,018.00	5,018	5,018			2.22%
BOQ A/C 22424400		414.00	414.00	414	414			0.18%
Bank West CMC Markets Cash A/C 214486-0		108,479.00	108,479.00	108,479	108,479			48.08%
CBA A/C 18866579		19.00	19.00	19	19			0.01%
				113,930	113,930			50.49%
Fixed Interest Securities (Australian)								
BOQ Term Deposit A/C 22587474	1	100,000.00	100,000.00	100,000	100,000			44.32%
				100,000	100,000			44.32%
Shares in Listed Companies (Australian)								
Blackmores Limited	120	156.44	95.84	18,773	11,501	(7,272)	(38.74%)	5.10%
				18,773	11,501	(7,272)	(38.74%)	5.10%
Shares in Unlisted Companies (Australian)								
Errawarra Resources Limited	23,809	0.01	0.01	200	200			0.09%
				200	200			0.09%
				232,903	225,631	(7,272)	(3.12%)	100.00%

LADD SUPERANNUATION FUND FINANCIAL STATEMENTS INDEX

Detailed Statement of Financial Position
Detailed Operating Statement
Statement of Taxable Income
Notes to the Financial Statements
Trustees Declaration
Compilation Report
Audit Report
Investment Summary Report
Trustee Minute/Resolution
Members Statements
Members Summary Report

**LADD SUPERANNUATION FUND
MEMBER'S SUMMARY REPORT AT 30 JUNE 2017**

Member's Details	O/B	Increases					Decreases					C/B	
		Contrib	Tra In	Profit	Ins Pol	Tax	Exp	Ins Pol	Tra Out	Ben Pd	Excess Tax		Refund Con
POWER, LESLIE JOHN Member Mode: Pension A/C Description: Pension 1 8 North Street Golden Beach QLD 4551	242,499			(4,272)						12,200			226,026
	242,499			(4,272)						12,200			226,026